



Dear Friend,

In my last newsletter I provided an update on the budget situation that mainly focused on the governor's proposal. Since that time my colleagues and I have been deliberating over the governor's recommendations and weighing alternative options. In some cases we have moved forward with budgets that align with the governor's recommendation, and in others we have made significant changes. While I must emphasize that all of these issues are a work in progress, I would like to share some insight as to where we stand today on some of the most talked about issues.

Education Funding

Beginning with Fiscal Year (FY) 2012, Michigan will lose \$175 per pupil in federal education jobs funding money. The governor proposed a \$300 per pupil cut on top of this loss for a total cut of \$475 per pupil. While we are committed to reinventing Michigan to make our state sustainable in the long-term, my colleagues and I also recognize the importance of education and want to continue to make it a priority. Therefore, the Senate reduced the proposed cut to \$175 for a total reduction of \$350 per pupil. I understand these cuts are still going to be painful to endure. Like I tell my colleagues, we have an obligation to make sure that the decisions we make today do not saddle our children and our children's children with debt and unfunded liabilities in the future. While these cuts are difficult, they are the first step in righting the ship.

Pension Tax

Recently legislative leaders and the governor announced a compromise to the governor's initial proposal to tax all pensions as income. The new proposal includes a phase-in of a pension tax based on age. Those individuals who are 67 years of age as of January 1, 2012 will continue to be exempt according to current law. This means those receiving a public pension will be fully exempt and those receiving a private pension will be exempt up to \$45,120 for individuals and \$90,240 for joint filers. The tax would be phased in for individuals between the ages of 60 and 66. Individuals will be able to exempt \$20,000 and joint filers will be able to exempt \$40,000 in pension income. Finally, anyone under the age of 60 as of January 1, 2012 will have their pensions taxed as income. Social security and military pensions will continue to be exempt. Reports indicate that, if passed, the revised plan will still give Michigan the nation's 14th best income tax structure and the eighth most generous treatment of retirement income.

Budget Timeframe

This week the Senate met its goal of passing all budgets out of the Senate by May 1st. The governor and legislative leaders have set a goal of June 1st for finalizing the budget in order to ensure schools and other entities affected by cuts have enough time to address the reductions in their own budgets. I am optimistic that we will in fact meet this goal.

Finally, I remain committed to reforming Michigan to make it economically competitive going forward. This week the Senate passed out a complete budget proposal that is fair, fiscally responsible and provides a firm foundation for future economic growth and the rebuilding of Michigan.

To reiterate, we are still in the middle of the appropriations process and changes can still occur. I am keeping an open mind as my colleagues and I continue to work toward resolving the state's \$1.4 billion budget deficit. As always, I will continue to keep you informed in future newsletters.

Sincerely,

  
John Pappageorge



**Did you  
contact  
me?**

My office is receiving unprecedented numbers of calls, e-mails and letters. Please know that we are listening and tracking these correspondences. If your communication requires a response please know that it will take longer than normal. In the meantime, I have put together this newsletter in an effort to keep you abreast of what is happening in Lansing.

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# New Restrictions For Teen Drivers Now In Effect

Public Act 268 of 2010 implemented new restrictions for drivers with a level 2 graduated license. A level 2 license is an intermediate license that limits the unsupervised nighttime driving for teen drivers at least 16 years old. The following information is made available on the Michigan Department of State's office website and summarizes the provisions of the law. Click on the links at the end of this article for more information.

PA 268 of 2010 does the following:

- Prohibits a driver with a Level 2 graduated driver's license (GDL) from operating a motor vehicle carrying more than one passenger who is under 21 years of age, unless: a. passengers are members of the driver's immediate family, or b. travel is to or from school or a school-sanctioned event.
- Extends the nighttime restriction to 10:00 p.m. from

the original midnight starting time. The new nighttime restriction is from 10:00 p.m. until 5:00 a.m. unless driving to or from employment.

## PROPOSED CHANGES TO LAW

House Bill (HB) 4533 would provide further exceptions for teens, including:

- Creating an exception for driving with more than one unrelated individual in the vehicle if driving as a requirement of employment;
- Allowing teen driving after 10 p.m. if they are going to or from school or a school-sanctioned event; and
- Allowing teens to drive between 10 p.m. and 5 a.m. if a parent or legal guardian is in the vehicle with them.

HB 4533 recently passed the full House of Representatives.

Both of these restrictions remain for the duration of the Level 2 graduated driver's license. The sanctions for violating these new provisions are:

- A civil infraction is entered and 2 points are added to the driving record.
- Notice of the civil infraction shall be sent to a designated parent or guardian.
- GDL Level 2 period is extended for 12 months.

A driver reexamination will be scheduled with possible license suspension and/or additional restrictions imposed.

For additional information, please visit the Michigan Department of State website at [www.Michigan.gov/sos](http://www.Michigan.gov/sos).

## Statewide Construction Map Now Available



Spring has arrived which means so to has the construction season. You can prepare for construction delays or avoid them altogether by knowing what to expect before you make your trip.

The Michigan Department of Trans-

portation provides the statewide construction map to help drivers know what to expect along their route. The 2011 map is now available at [www.michigan.gov/drive](http://www.michigan.gov/drive). Check out your route now to plan for your drive!

[www.michigan.gov/drive](http://www.michigan.gov/drive)

## Tax Amnesty Program Provides Penalty-free Period

Individual or business taxpayers that owe back taxes to the state of Michigan will have an opportunity to settle their tax liabilities without penalty.

The 2011 Michigan Tax Amnesty program runs from May 15, 2011 to June 30, 2011. The program covers tax periods ending on or before Dec. 31, 2009.

All state taxes are eligible for amnesty during this 45-day win-

dow, including income tax, Michigan Business Tax, Single Business Tax, sales and use tax, withholding tax, tobacco taxes and motor fuel taxes.

Forms, instructions and a frequently asked questions resource guide are available at [www.mitaxamnesty.org](http://www.mitaxamnesty.org) or call the Michigan Department of Treasury's toll-free amnesty hotline at 1-855-466-4829 for more information.

## Senate Bill 5 Signed Into Law



Senator Pappageorge and Chief of Staff Justin Winslow pose with Governor Rick Snyder after the signing of SB 5 into law.

On Tuesday, April 19, 2011, Senate Bill (SB) 5 was signed into law. Senator Pappageorge and representatives from the Michigan Restaurant Association and the Associated Food and Petroleum Dealers were invited for a special bill signing ceremony with Governor Rick Snyder.

SB 5, now Public Act 20 of 2011, creates a one-stop shop to allow a caterer to sell, transport and serve beer, wine and spirits to their guests provided that they obtain the newly created catering permit from the Liquor Control Commission.

## Senator Pappageorge Working with Constituents



Sen. Pappageorge (center) stands in the Senate chamber with (from left) Randy and Sue Gillary and their daughters, Emily

**LEFT:** With the support of the Kimberly Anne Gillary Foundation, which provides automated external defibrillators (AEDs) to schools, the Senate adopted Pappageorge's Senate Resolution 37 designating April 2011 as Michigan Student Athlete Cardiac Awareness Month. The issue of cardiac awareness has received increased attention in Michigan and elsewhere since Fennville High star basketball player Wes Leonard collapsed and died shortly after scoring his team's winning basket on March 3rd. The resolution encourages awareness of cardiac arrest in student athletes and promotes pre-screening and proper training in the use of AEDs. The Gillarys founded the Foundation after losing their daughter Kimberly to cardiac arrest in 2000 after a high school water polo game.

**RIGHT:** Senator Pappageorge participated in a forum held at Seaholm High School in Birmingham to address proposed cuts to school funding and other issues facing school districts. More than 100 concerned citizens attended the event and several area lawmakers participated in the panel.



From left to right: Sen. Vincent Gregory, Sen. John Pappageorge, Rep. Lisa Brown, Rep. Rudy Hobbs. Rep. Chuck Moss also participated on the panel.

## May and June Office Hours

### Saturday, May 21

9:00 a.m. to 11:00 a.m.

Troy Community Center  
3179 Livernois

Noon to 2:00 p.m.

Baldwin Public Library  
300 W. Merrill St.

3:00 p.m. to 5:00 p.m.

Royal Oak Public Library  
222.W. 11 Mile Road

### Saturday, June 25

9:00 a.m. to 11:00 a.m.

Troy Community Center  
3179 Livernois

Noon to 2:00 p.m.

Baldwin Public Library  
300 W. Merrill St.

3:00 p.m. to 5:00 p.m.

Royal Oak Public Library  
222.W. 11 Mile Road

# Questions? Comments?

If you have any questions or comments regarding information in this newsletter, or wish to be removed from or added to the mailing list, please contact my office at the following information:

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